













March 2020

# 2020 Financial Assistance Workshop Closeout

Acquisition and Grants Office Grants Management Division





#### **Closeout Overview**















2 CFR 200.343 – Closeout regulations effective December 26, 2014

**Note**: Awards made before December 26, 2014 must follow:

15 CFR § 14.71 Closeout Procedures (Universities, Non-Profits, and For-Profits)

15 CFR § 24.50 Closeout Procedures (State and Local Governments)

- Closeout Period 90 days after award expiration date
- Closeout Extension Must be requested before the 90 day expiration of the closeout period















#### **90 Day Closeout Period**

 Grantees have up to <u>90 days</u> after award expires to submit reports and drawdown funds for expenses incurred during the award period

#### Extension to closeout

- Requires written award action request submitted through Grants
   Online before expiration of initial 90-day close out period
- Should only be requested to complete final reports and make final payments









#### **GONE ACT**



#### **Grants Oversight and New Efficiency (GONE) Act**

- Signed into law January 28, 2016
- Holds Federal awarding agencies accountable for closing awards within 1 year





















#### **Closeout Process**

- <u>2 CFR 200.344</u> Post Closeout Adjustments and Continuing Responsibilities
- Returning Excess Funds:
  - Return funds in ASAP
  - If excess funds are drawn down, a check of the overdrawn amount must be mailed to the NOAA Finance Office and must include the award number:

Department of Commerce

NOAA Office of Finance and Administration

20020 Century Blvd.

Germantown, MD 20874

- Property and Equipment/Supplies Disposition: SF-428, SF-428B and/or SF-429
- The most current Single Audit must be submitted in <u>FAC</u> upon closeout of an award















# Who is Responsible for Award Closeout

- Non-Federal Entity
- Program Office
- Grants Office



















#### Non-Federal Entity Responsibilities

- Complete award goals and objectives
- Verify all special award conditions (SACs) have been satisfied
- Submit final payment request, as applicable.
- Submit final Federal Financial Report (SF-425) and final Performance Progress Report.
- Submit Report of acquired property (purchased with federal funds), as required
  - SF-428 Tangible Personal Property Forms
  - SF-429 Real Property
- Advance/excess payments returned















#### **Program Office Responsibilities**

- Monitor and oversee award performance
- Review and accept performance or technical reports
- Notify Grants Office if non-Federal entity is noncompliant with award terms and conditions
- Verify that all programmatic special award conditions are satisfied

















# **Grants Office Responsibilities**

- Review and approve final Request for Advance or Reimbursement (SF-270)
- Review and approve final Federal Financial Report (SF-425)
- Manage property acquired with Grant funds
- Ensure that the most current Single Audit is provided upon Closeout
- Verify all special award conditions (SACs) are satisfied
- De-obligate remaining funds
- Approve administrative and manual closeout documentation















# **Grants Online (GOL) Processing**

Phase I: Financial Closeout
 De-obligation

Phase II: Administrative/Manual Closeout
 Administrative Closeout Checklist

















#### **Financial Closeout**

Contingent on acceptance of final Federal Financial Report (SF-425)

#### The Final SF-425:

- Line 10a Cash receipts should be equal to line 10b cash disbursements, with no excess funds on hand, line 10c
- Line 10f, Federal Share of Unliquidated Obligations should be \$0
- Funds to be deobligated on line 10h, unobligated balance of federal funds
- Indirect Cost Rates (correct math, negotiated agreement on file for each period during award, appropriate rates and methods used)







# Final <u>SF-425</u> Report

0.00

0.00

		Federal Fina (Follow form			OMB Number: 4040-0014 Expiration Date: 02/28/2022
Federal Agency and Organizational Element to Which Report is Submitted     Agency (To report multiple)					ifying Number Assigned by Federal its, use FFR Attachment)
3. Recipient Organization Recipient Organization Nature 1: Street1: Street2: City: State: UNITED USA: UNITED		County:	ZIP. 5. Recipient Accoun		
6. Report Type  Quarterly Semi-Annual Annual Final	7. Basis of Accounting  Cash Accrual	8. Project/Grant Per From:	iod To:	9. Reporting Per	iod End Date
10. Transactions					Cumulative
(Use lines a-c for single	or multiple grant reporting)				
Federal Cash (To repor	t multiple grants, also use	e FFR attachment):			
a. Cash Receipts					0.00
b. Cash Disbursements					0.00
c. Cash on Hand (line a minus b)					0.00
(Use lines d-o for single	grant reporting)				
Federal Expenditures a	and Unobligated Balance:	1			
d. Total Federal funds au	ıthorized				0.00
e. Federal share of exper	nditures				0.00
f. Federal share of unliqu	0.00				
g. Total Federal share (s	um of lines e and f)				0.00
h. Unobligated balance of	of Federal Funds (line d min	us g)			0.00
Recipient Share:					
i. Total recipient share re	quired				0.00
j. Recipient share of expe	0.00				
k. Remaining recipient sh	hare to be provided (line i m	inus j)			0.00
Program Income:					

11. Indirect Expense							
а. Туре	b. Rate	c. Period From	Period To	d. Base		Amount harged	f. Federal Share
							]
				S			
							J L
		g	j. Totals:				
12. Remarks: Attach any expla	anations deeme	d necessary or infon	mation required t	y Federal sponsoring	agency in c	ompliance with	governing legislation:
	ATT   1   1   1   1   1   1   1   1   1	Add	Attachment	Delete Attachment V	fiew Attach	ment	
<ol> <li>Certification: By signing expenditures, disbursement am aware that any false, fict</li> </ol>	ts and cash rec titious, or fraud	eipts are for the pu ulent information,	rposes and obj or the omission	ectives set forth in th of any material fact,	e terms an may subje	d conditions o	of the Federal award. I nal, civil or
administrative penalties for and 3801-3812).	traud, talse sta	tements, false clair	ms or otherwise	. (U.S. Code Title 18,	Section 10	001 and Title 3	1, Sections 3/29-3/30
a. Name and Title of Authoriz	zed Certifying Of	fficial					
Prefix:	First Name:			Middle	Name:		
Last Name:				Suffi	x:		
Title:				170			
b. Signature of Authorized Cer	rtifying Official			c. Telephone (Are	a code, nur	mber and exten	sion)
d. Email Address				e. Date Report Su	bmitted	14. Agency u	ise only:

Standard Form 425





I. Total Federal program income earned

m. Program Income expended in accordance with the deduction alternative

n. Program Income expended in accordance with the addition alternative

o. Unexpended program income (line I minus line m or line n)





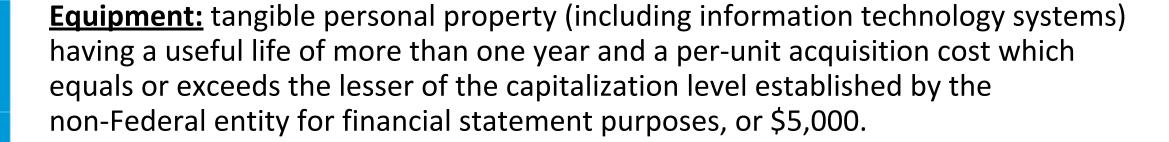




























# **Equipment Disposition**

Required when acquired equipment no longer needed for original project/program or other activities

# Current per-unit fair market value < \$5,000

Equipment may be kept \*, sold, or disposed of with no further obligation to Awarding Agency

Current per-unit fair market value ≥ \$5,000 with a useful life of 1+ years

Equipment may be kept\* or sold
with
compensation to Awarding Agency
(Awarding Agency's share % of
interest ×
current market value of equipment)

















# Disposition Instructions (DOC Specific)

- Must be requested if required by the terms and conditions of the Federal award
- If not issued within 120 days, equipment with current per-unit fair-market > \$5,000 may be retained or sold with reimbursement to DoC (Awarding Agency's share % of interest × current market value of equipment LESS \$500 or 10% of proceeds)
- Title may be transferred to Federal Government or <u>eligible</u> third party IF
   Non-Federal entity entitled to compensation for percentage of fair market.
- DoC reserves right to transfer title to Federal Government or a third party
- Disposal costs charged to award or paid to Non-Federal Entity by DoC
- If instructed to ship equipment elsewhere, DoC to reimburse Non-Federal entity. (Non-Federal entity's share % × current market value of equipment PLUS \$500 or 10% of proceeds, for shipping and storage costs)

















#### Research Award Recipients & Equipment

Per the Research Terms and Conditions, Department of Commerce (DOC) permits non-Federal entities with research awards to own equipment upon acquisition without conditions and without obligation at the termination of the project.

Research award recipients **do not** need to request disposition instructions or submit equipment forms, unless specific award conditions direct the recipient otherwise.

















#### Real Property (2 CFR 200.311)

**Real Property:** land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.

- Title vests in the non-Federal entity.
- Must be used for original intended purpose as long as needed.
- Disposition: when no longer needed on the original project, disposition instructions must be requested from the Awarding Agency.
  - ✓ The non-Federal entity shall retain title after compensating the Awarding Agency
  - ✓ Non-Federal entity may be directed to sell the property and pay the Awarding Agency
  - ✓ Transfer title to the Awarding Agency or third party















# **Federally-Owned and Exempt Property**

**Exempt Property:** Federally-owned property that has been vested in a non-Federal entity without obligation to the Federal Government.

- Title remains vested in Federal Government.
- DoC/NOAA may vest title in Non-Federal Entity, when appropriate (exempt property).
- Excess property reported to General Services Administration.



















<u>Intangible Property:</u> property having no physical existence, such as trademarks, copyrights, patents, patent applications, loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

- Title vests in non-Federal entity.
- DOC reserves royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.



















<u>Supplies:</u> all tangible personal property other than those described as Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.

- Unused supplies > \$5,000 must be sold or retained for use on other awards.
- May not be used to provide services or supplies for a fee less than that charged by private companies for equivalent services/supplies.

















#### **Equipment & Property Forms**

- <u>SF-428</u> Cover Sheet
- <u>SF-428-A</u> Annual Report
- <u>SF-428-B</u> Final Report
- <u>SF-428-C</u> Disposition Request
- <u>SF-428-S</u> Supplement Sheet
- SF-429 Real Property Report

















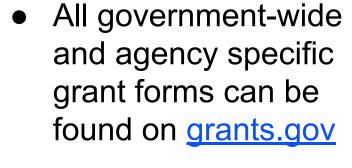


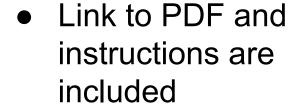
POST-AWARD REPORTING FORMS



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Schema		
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### **NOAA Administrative/Manual Closeout**

- Verify that advance/excess payments returned
- Verify that equipment followed disposition instructions
- Final performance certification/report received & accepted
- Cost-share/match requirements met in accordance with the award
- Indirect costs consistent with the award
- Suspended/disallowed costs resolved
- Government property accounted

















#### **Common Delays to Closeouts**

- The non-Federal entity is suspended or has disallowed costs, and if a pending audit has not been resolved.
- Special Award Conditions have not been satisfied.
- Reports are not submitted by the deadline or have not been accepted by the grants management specialist or program officer.
- Awards or actions are pending approval and/or acceptance.
- Termination of an award has not been completed.
- 6. All excess funds have not yet been de-obligated.
- If the non-Federal entity is delinquent in their most current Single Audit report upon closeout







#### **Notification from GOL - Closeout Finalized**











The above referenced Financial Assistance Award supported by NOAA ended on 2019-05-23 18:12:08.0. All received reports have been reviewed, and accepted as final in the format presented and in accordance with 15 CFR Part 14, Sections 14.53 and 14.71. As this award is officially closed, the option to re-open is not available. Any remaining funds not used or drawn down during the award period will be deobligated. Your files should be kept intact for a period of three years from the date of the final Financial Status Report or, until a final audit resolution (if applicable) is reached.

















# **Closeout Vocabulary Exercise**

Take a couple minutes to fill out the worksheet.

Keep for your reference

**NEW AGO Website: Closeout Guidance** 

















#### **Review & Exercises**

#### What is closeout?

 The process that completes the grant agreement between the Awarding Agency and the non-Federal entity when all applicable administrative actions and required programmatic work have been completed

#### How long is the closeout period?

90 days, unless an extension to closeout is approved

#### Who participates in the closeout process?

- Non-Federal Entity
- Program Office
- Grants Office





#### Review & Exercises (cont...)



#### Which is <u>not</u> a closeout requirement?

- a. final reports submitted in 90 days
- b. acquired property reporting
- c. exhaustion from work

#### By the 90<sup>th</sup> day after award expiration, what should be complete?



- b. submit final reports, property forms, other documentation
- c. book a long vacation for all your hard work
- d. a & b
- e. all of the above





















You may also submit questions to <a href="mailto:GMD.Services@noaa.gov">GMD.Services@noaa.gov</a>

Please remember to complete your surveys, and contact your respective Grants

Management Specialist with any additional questions.



